AMENDED IN ASSEMBLY APRIL 7, 2003

CALIFORNIA LEGISLATURE—2003-04 REGULAR SESSION

ASSEMBLY BILL

No. 446

Introduced by Assembly Member Matthews

February 14, 2003

An act to amend Sections 210, 215, and 220 of the Labor Code, relating to state employees.

LEGISLATIVE COUNSEL'S DIGEST

AB 446, as amended, Matthews. State employees: wages.

Existing law sets forth the requirements for payment cycles for employees of private employers, and provides that any person who fails to pay the wages of these employees as provided in specified provisions is subject to a civil penalty, and any person who violates certain of these provisions is guilty of a misdemeanor.

This bill would require that wages earned by state employees with regularly designated pay days be paid on regularly designated paydays, and wages earned by state employees those days. For labor performed in excess of the normal work period, the bill would require that employees be paid no later than the next payroll period. The bill would also specify when permanent intermittent state employees and state employees that do not have regularly designated pay days are paid. It would specify that civil and misdemeanor penalties would apply for violation of this requirement these requirements.

By creating a new crime, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state.

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Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 210 of the Labor Code is amended to 2 read:
 - 210. In addition to, and entirely independent and apart from, any other penalty provided in this article, every person who fails to pay the wages of each employee as provided in Sections 204, 204b, 204.1, 204.2, 205, 205.5, and 1197.5, and in subdivision (c) of Section 220, shall be subject to a civil penalty as follows:
 - (a) For any initial violation, fifty dollars (\$50) for each failure to pay each employee.
 - (b) For each subsequent violation, or any willful or intentional violation, one hundred dollars (\$100) for each failure to pay each employee, plus 25 percent of the amount unlawfully withheld.

The penalty shall be recovered by the Labor Commissioner as part of a hearing held to recover unpaid wages and penalties pursuant to this chapter or in an independent civil action. The action shall be brought in the name of the people of the State of California and the Labor Commissioner and the attorneys thereof may proceed and act for and on behalf of the people in bringing these actions. All money recovered therein shall be paid into the State Treasury to the credit of the General Fund.

- 21 SEC. 2. Section 215 of the Labor Code is amended to read:
- 22 215. Any person, or the agent, manager, superintendent or officer thereof, who violates any provision of Section 204, 204b, 205, 207, 208, 209, 212, or 220 is guilty of a misdemeanor. Any failure to keep posted any notice required by Section 207 is prima
- 26 facie evidence of a violation of such those sections.
- 27 SEC. 3. Section 220 of the Labor Code is amended to read:
- 28 220. (a) Sections 201.5, 201.7, 203.1, 203.5, 204, 204a,
- 29 204b, 204c, 204.1, 205, and 205.5 do not apply to the payment of
- 30 wages of employees directly employed by the State of California.

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Except as provided in subdivision (b), all other employment is subject to these provisions.

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- (b) Sections 200 to 211, inclusive, and Sections 215 to 219, inclusive, do not apply to the payment of wages of employees directly employed by any county, incorporated city, or town or other municipal corporation. All other employments are subject to these provisions.
- (c) (1) Notwithstanding any other provision of law, wages earned by state employees shall be paid on regularly designated paydays. Wages earned by state employees for labor performed in excess of by state employees with regularly designated pay days shall be paid on those days. For labor performed in excess of the normal work period, those employees shall be paid no later than the next regular payroll period.
- (2) Permanent intermittent state employees and state employees that do not have regularly designated pay days shall be paid as follows:
- (A) For labor performed between the first and the 15th days of the month, inclusive, employees shall be paid between the 16th and the 26th day of the month in which the labor was performed.
- (B) For labor performed between the 16th and the last day of the month, inclusive, employees shall be paid between the first and the 10th day of the month following the month in which the labor was performed.
- SEC. 4. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty 30 for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.